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C O N F I D E N T I A L SECTION 01 OF 04 BANGKOK 004734

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TAGS: PGOV PHUM KDEM TH
SUBJECT: PRO-THAKSIN PARTY: A WARY FRONTRUNNER

REF: A. BANGKOK 4478 (CONSTITUTION PASSES)
1B. BANGKOK 4214 (TRT TAKES OVER PPP)
1C. BANGKOK 2994 (TRIBUNAL DISSOLVES TRT)

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Classified By: Ambassador Ralph L. Boyce, reason 1.4 (b) and (d).

SUMMARY

11. (C) The People's Power Party (PPP), a pro-Thaksin grouping of former Thai Rak Thai (TRT) figures, has a good chance of winning a plurality in the next elections, according to the current conventional wisdom in Bangkok. PPP's emerging status as the frontrunner is based partly on the results of the August 19 constitutional referendum, as well as perceptions that Thaksin remains popular and able to devote substantial funds to political activities. PPP Party Leader Samak Sundaravej told the Ambassador August 30 that PPP might even win a majority in the next election, but we believe his assessment is overly optimistic. Samak ardently defended Thaksin, said he would seek to cultivate royal family support for PPP, and advocated a stronger crackdown on southern insurgents. It remains unclear how opponents of TRT, including top military figures, will react to this perception of PPP strength, and PPP figures are unsure the election will prove fully free and fair. End Summary.

INTERPRETING THE REFERENDUM RESULTS

12. (C) In Thailand's August 19 referendum, 42 percent of Thai voters rejected the new constitution (ref A), consistent with the policy of many leading former Thai Rak Thai (TRT) figures. We believe that not all those who voted against the constitution did so to demonstrate loyalty to TRT. However, since the referendum, numerous figures associated with the pro-Thaksin People's Power Party (PPP) have told us they view the 42 percent figure as a benchmark for their performance in the coming election. Noppadol Pattama, Thaksin's lead lawyer and now a Deputy Secretary General of PPP, told us he believed most of the "no votes" -- especially in the countryside -- resulted from pro-Thaksin TRT figures' instructions to their constituents.

13. (C) PPP Spokesman Kudeb Saikrachang privately echoed

Noppadol's interpretation of the 42 percent figure. Kudeb acknowledged that, in the coming election, other political parties would work to lure TRT voters away from PPP, but he added that some people who voted in favor of the constitution may also have favored Thaksin but wanted the constitution to pass so that elections could take place as soon as possible. Kudeb warned that irregularities during the referendum led to an underreporting of opposition to the constitution. At one polling station in his own northeastern province of Sisaket, he claimed, a vote of 200 to 7 against the constitution was reversed and tallied as 200 to 7 in favor. (Comment: Nevertheless, we note that official figures show 71 percent of Sisaket voters rejected the constitution, so it is unclear why this polling station's count would have been manipulated. End Commented.)

PPP GATHERS FORMER MPS

¶ 4. (C) In a meeting with the Ambassador on August 30, PPP Party Leader Samak Sundaravej said that PPP currently had 270 former legislators in its camp. Kudeb separately provided us with the same number, although acknowledging that some of these figures might desert PPP to join other TRT successor parties not aligned with Thaksin (e.g., Matchima and Samanachan -- see septel) after those groups formally register as parties. However, Kudeb said that former MPs associated with the leaders of these rival groups were feeling pressure from the grassroots level to stay with the avowedly pro-Thaksin PPP.

¶ 5. (C) Deputy Secretary General Noppadol predicted a strong showing for PPP legislators in the coming election. Speaking offhand, he estimated that PPP should get 100 (out of 135) House seats from the Northeast, 40 to 50 (out of 77) from the North, perhaps half of the 36 seats in Bangkok, and 30 of the

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80 seats that will be allocated to party list candidates. (Even excluding central Thai provinces, and the Democrat Party stronghold in the South, this estimate adds up to around 190 of the 480 seats up for grabs.) Party Leader Samak boldly told the Ambassador that PPP could even win an absolute majority (over 240 seats). (Comment: We believe the prediction of a majority is unrealistic; in any case, it is much too early to try to predict the outcome. End Comment.)

POLICIES

¶ 6. (C) We put credence in assessments that Thaksin remains popular in the vote-rich countryside and that, despite a freeze of his assets in Thailand, he and his cronies have substantial funds to devote to political activities. Likely because of those key factors, PPP has unabashedly portrayed itself as a pro-Thaksin grouping. After his election as Party Leader, Samak announced publicly that he was Thaksin's "nominee" (read: figurehead). However, he backed away from that statement after being warned he might imperil the party's new central board's registration with the Election Commission.

¶ 7. (C) When meeting the Ambassador privately, Samak spoke at length in defense of Thaksin; he claimed that the former PM was the victim of slanderous allegations that he advocated reducing the status of the monarchy in Thailand so it would be on a par with the royal families in Britain and Japan. (Furthermore, according to the story, Thaksin then could revise the system of governance in Thailand and become President, thereby rivaling or displacing the King as the country's leading figure.) Samak also sought to justify Thaksin's sale of Shin Corp to Singapore's Temasek -- the sale which helped ignite large anti-Thaksin protests in early 2006 -- noting Siam Commercial Bank figures who were close to the Palace had abetted the sale. Samak said that, to whatever extent Thaksin may have been corrupt, this was

simply an inevitable result of the Thai political system and did not reflect poorly on Thaksin's character.

¶18. (C) Samak told the Ambassador that he would not aim for a full term as Prime Minister. Rather, he envisioned himself as a transitional figure who would advocate an amnesty for the members of the TRT executive board who were banned from holding political office as a result of the May Constitutional Tribunal verdict (ref C), which Samak viewed as unjust. As for Thaksin, he should be able to return to Thailand, although Samak said that the former PM should not return to political life. (Note: This line is consistent with Thaksin's position -- the former PM has repeatedly claimed to have given up politics. End Note.)

¶19. (C) As PPP Party Leader, one of his first orders of business, Samak said, would be to work to win support for PPP from members of the royal family. The party's slogan, he told us, would be "For Nation-Religion-King, with People's Power."

¶10. (C) Samak also made it clear that he would follow the (unsuccessful) Thaksin model for controlling the insurgency in the South, cracking down with more military force on separatists. He pointed out that Army Commander Sonthi Boonyaratglin was of the Muslim faith, calling this a "defect," saying that Sonthi was too soft and "passive" in the South. Samak drew a distinction between Thai Muslims, whom he said love their homeland, and Malay Muslims in the South, whom Samak saw as disloyal subjects taking advantage of Thai tolerance.

ELECTION IMPROPRIETIES

¶11. (C) PPP's status as frontrunner begs the question of how the authorities -- and particularly the leading military officials who overthrew Thaksin -- will react. PPP Spokesman Kudeb, noting that the party's registration of its new central board (led by Samak) is pending with the Election Commission, demonstrated some concern that the EC would reject the registration. He also echoed worries we had heard previously (ref B) that EC officials would be predisposed

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against PPP figures during the election.

¶12. (C) Kudeb guessed that the authorities would mobilize not just the EC, but also the armed forces and the state apparatus against PPP during the election. He cited the experience in the Northeastern province of Buriram during the constitutional referendum. (Buriram is the power center of staunch Thaksin loyalist and infamous dirty-trickster Newin Chidchob. Surprisingly, a majority of voters in Buriram voted in favor of the constitution; this happened in only 2 of the 19 provinces in the Northeast.)

¶13. (C) According to Kudeb, the authorities made the constitution's passage in Buriram a top priority. They provided funds for canvassers to rally support for the constitution; they promised promotions for local government officials who could ensure the charter's passage. The Governor sent messages directly to village chiefs, and there was a visible military presence at polling stations. Soldiers virtually surrounded the house of Newin and other former TRT legislators. (Comment: Ref A provides a different assessment of why the vote in Buriram turned out as it did; we are unsure which account is more accurate. End Comment.) Kudeb said the military would likely adopt the methods used successfully in Buriram as a model for other provinces during the upcoming election.

STRONG-ARMING POLITICIANS

¶14. (C) The authorities reportedly have also begun applying

pressure on high-profile politicians not to work with Thaksin or PPP. Samak related that former Prime Minister Chavalit Yongchaiyudh had been approached to become PPP's Party Leader; however, Chavalit went to consult Privy Council President Prem Tinsulanonda -- as all Army officers must when faced with major decisions, Samak quipped. Prem discouraged Chavalit from leading PPP. (PPP Deputy Secretary General Noppadol told us Chavalit may still be given a spot on PPP's party list, though, as he remains popular in parts of the Northeast.) Samak himself had received and disregarded word from Prem that he should remain as leader of his Thai Citizens' Party -- and help to split the pro-Thaksin vote -- rather than taking the helm at a large pro-Thaksin vehicle.

¶15. (C) When the Ambassador met with Pinij Jarusombat, one of the leaders of the Samanachan group (consisting of former TRT figures -- see septel) on August 28, Pinij said he had not been pressed by any military figures not to form a post-election coalition with PPP. He quickly amended this statement, adding, "Not yet." However, another former TRT figure not associated with PPP, Suranand Vejjajiva, told us that two top generals -- Saprang Kalayanamitr and Anupong Paojinda -- were quietly leaning on politicians, telling them that aligning themselves with PPP after the election would be a sign of disloyalty to the monarchy. Suranand noted it was uncertain whether these generals really represented the Palace's views, but many Thai politicians would be reluctant to do anything that could impugn their loyalty to the monarchy. Nevertheless, many of our contacts have difficulty envisioning former TRT politicians resisting the allure of a return to power, if PPP does win a plurality. Leading figures in the Democrat Party and Chart Thai, meanwhile, have made public statements indicating they would shun PPP.

¶16. (C) Our PPP contacts have told us that the military would be unable to stop PPP from forming a government if it wins a plurality. They also claim to have heard that the Palace supports early elections, so they assess it as unlikely that even fear of a PPP plurality would lead to a delay or cancellation of the December 23 vote.

COMMENT

¶17. (C) PPP is currently -- and appears likely to remain -- the only political party that is openly pro-Thaksin. Even with the deck stacked at least partially against them, Thaksin's loyalists seem able to credibly claim front-runner status, at least for the moment. It is unclear whether they owe this status more to Thaksin's populist policies, the size

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of his bankroll, or to the interim government's ineffectiveness. Whatever the reason, we will closely monitor the authorities' treatment of PPP as elections approach.

BOYCE